

CLAIMS

What is claimed is:

- 1 1. A system for evaluating, approving, and underwriting loans for a borrower requesting a loan
- 2 from a lender at a vendor location, comprising:
 - 3 a. a computer system having a database, the database further comprising
 - 4 i. data describing vendors approved to use the computer system;
 - 5 ii. data describing lenders accessible to the computer system; and
 - 6 iii. at least one tier comprising loan approval rules-based criteria for each lender
 - 7 accessible to the computer system;
 - 8 b. a data communications network operatively in communications with the computer
 - 9 system, the data communications network further comprising at least one interface
 - 10 to one or more sources of financial information;
 - 11 c. an input terminal, operatively connected to the computer system via the data
 - 12 communications network, for providing borrower information to the computer
 - 13 system, the borrower information comprising borrower personal data, borrower
 - 14 personal financial data, and data describing collateral to be financed;
 - 15 d. loan approval software operatively resident in the computer system for evaluating the
 - 16 borrower information and information from the one or more sources of financial
 - 17 information according to the loan approval criteria and accepting or rejecting the
 - 18 borrower's request for a loan; and

- e. an output device, operatively connected to the computer system via the data communications network, for displaying a result of the loan approval software.

2. The system of claim 1 where the data communications network is selected from the group of data communications networks consisting of the Internet, Intranets, synchronous dial-ups, asynchronous dialups, synchronous dedicated lines, asynchronous dedicated lines, and local area networks.

3. The system of claim 1 wherein the sources of financial information comprise credit reporting bureaus, external financial data sources, and sources of valuation data for a predetermined set of items.

4. A method of loan approval for a system for evaluating, approving, and underwriting loans for a borrower requesting a loan from a lender at a vendor location, the system comprising a computer system having a database that further comprises data describing vendors approved to use the computer system, data describing lenders accessible to the computer system, and at least one tier comprising loan approval rules-based criteria of each lender; a data communications network operatively in communications with the computer system, the data communications network comprising at least one interface to one or more sources of financial information; an input terminal, operatively connected to the computer system via the data communications network, for providing borrower information to the computer system, the borrower information comprising borrower

personal data, borrower personal financial data, and data describing collateral to be financed; loan approval software operatively resident in the computer system for evaluating the borrower information and information from the one or more sources of financial information according to the approval criteria and accepting or rejecting the borrower's request for a loan; and an output device, operatively connected to the computer system via the data communications network, for displaying a result of the loan approval software, the method comprising:

- a. having a vendor of an item to serve as collateral for a loan access a lender data screen at the input terminal, the lender data screen associated with a lender having preexisting relationship with the vendor;
- b. obtaining a predetermined set of borrower information concerning the borrower, the borrower information comprising borrower personal data, borrower personal financial data, and collateral data
- c. obtaining a predetermined set of data regarding the item;
- d. selectively enabling the vendor with access to a loan approval portion of the lender data screen;
- e. selectively enabling the vendor with access to a loan application input form comprising at least one data entry area;
- f. inputting the borrower information and the data regarding the item into the data entry area;
- g. transmitting the borrower information and the data regarding the item to an application validation process;

- h. validating the borrower information and the data regarding the item as transmitted;
- i. obtaining a predetermined set of credit information regarding the borrower;
- j. for each tier, using predetermined loan approval rules-based criteria to compare the borrower information, the data regarding the item, and the credit information against the loan approval criteria associated with the lender in that tier until at least one tier's criteria are met or no more tiers exist;
- k. if the borrower information, the data regarding the item, and the credit information satisfy a tier, notifying the vendor of the tier that has been satisfied;
- l. if no tier is satisfied, notifying the vendor of a rejection of the borrower's request.

5. The method of claim 4 wherein the lender data screen is a web page accessible via an Internet communications link.

6. The method of claim 4 wherein the predetermined set of borrower information further comprises borrower income data and down payment data.

7. The method of claim 4 wherein the data regarding the item to be purchased further comprises data describing the item where the data are obtained from a source of external data for such items.

8. The method of claim 7 wherein the source of external data is an independent source of such information.

1 9. The method of claim 4 further comprising:

- 2 a. giving the borrower an opportunity to modify the borrower information; and
- 3 b. if such modifications are made, transmitting the modified borrower information to
- 4 the loan approval evaluation software and reinitiating the comparison process at a
- 5 predetermined tier.

1 10. The method of claim 9 wherein the borrower modification comprises changes to a down
2 payment amount, sources or amounts of income, or other collateral to be used to secure a loan.

1 11. The method of claim 4 wherein selectively enabling the vendor with access to a loan
2 application input form comprising at least one data entry area further comprises:

- 3 a. requiring entry of predetermined vendor security information; and
- 4 b. validating the vendor security information.

1 12. The method of claim 11 wherein the vendor security information is selected from the set of
2 security information consisting of user names, passwords, electronic signatures, encryption keys,
3 finger scans, retinal scans, and voice systems.

1 13. The method of claim 4 further comprising posting loan approval or rejection information at
2 the output terminal.

1 14. The method of claim 13 wherein the posted loan approval or rejection information comprises
2 properties of the tier at which the loan is approved or rejected.

1 15. The method of claim 14 wherein the properties of the tier at which the loan request is
2 approved comprise annual interest percentage rate, duration of loan, and information required by
3 statute to be present.

1 16. The method of claim 4, for approved loans, further comprising obtaining by the vendor of
2 a hard copy of approval information.

1 17. The method of claim 16 wherein obtaining a hard copy is selected from the group of
obtaining methods consisting of printing an approval screen, selecting a print option which prints
out borrower and loan information, and selecting a print option for electronic delivery of borrower
and loan information.
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1 18. The method of claim 4 further comprising:
2 a. acceptance of the loan as offered by the lender by the borrower;
3 b. signing a loan approval form by the borrower; and
4 c. transmitting a package of loan information including the signed loan approval form
5 to the lender.

1 19. The method of claim 18 wherein the borrower signs the loan approval form electronically.

1 20. The method of claim 4 wherein the predetermined credit information about the prospective
2 borrower is obtained from one or more credit bureaus.

1 21. The method of claim 12, if no tier is satisfied, wherein the notification to the vendor of a
2 rejection of the borrower's request comprises reasons for rejection at a last tier considered.

1 22. The method of claim 12, if no tier is satisfied, wherein the notification to the vendor of a
2 rejection of the borrower's request comprises reasons for rejection for a predetermined number of
3 considered tiers.

1 23. The method of claim 4 wherein the predetermined set of tiers comprises a plurality of tiers.

1 24. The method of claim 4 wherein each tier's properties further comprise properties for a
2 predetermined set of product type classifications whereby each loan application may be processed
3 differently at each tier based on a product type classification of the item for which the borrower is
4 requesting a loan.

1 25. The method of claim 23 wherein the product type classifications are selected from the set of
2 product type classifications consisting of automobiles, housing, mobile or manufactured housing,
3 boats, medical goods, household goods, appliances, jewelry, and machinery.

1 26. The method of claim 4 wherein only a vendor is allowed to enter borrower attributes.

1 27. The method of claim 4 further comprising allowing a vendor to initiating a relationship
2 electronically with at least one lender in realtime.

1 28. The method of claim 4 wherein financial information may be obtained from a source of
2 financial information such as DUN AND BRADSTREET.

1 29. The method of claim 4 further comprising providing lenders with an ability to manipulate
2 lending criteria for one or more tiers for that lender.

1 30. A computer program embodied within a computer-readable medium created using the
2 method of claim 4.